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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	China	R	EPORT					
SUBJECT	Organization of Pearl Rive for Coastal Defense, Kwang	gtung	ATE DISTR.	ES	2 December 1953			
DATE OF INFO.		R	EQUIREMENT	NO. RI	>			
PLACE ACQUIRED		R	EFERENCES					
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	(FOI	R KEY SEE REVERSE)						

- 1. On 22 July 1953 the Chinese Communist authorities in Shek'ou (approximately N 22-28, E 113-53) held a meeting for local fishermen, as well as fishermen from Taao (N 21-47, E 112-17) and from the territorial waters of Hong Kong.
- 25X1 The Chinese Communist authorities told the fishermen that orders had been issued to the military units to consolidate coastal fortifications, since Nationalist raids against Kwangtung would probably increase following the raid on Tungshan (N 23-45, E 117-31). The fishermen were also told that their part in this consolidation was to engage in intelligence and liaison work for the military units. If the fishermen saw ships belonging to the Nationalists they were to report their discovery to the coast guards by visual signals.
 - 3. Flags were to be used by day and lanterns at night. If a fishing boat was distant from the shore when a Nationalist ship was spotted, the fishermen would fly a round piece of cloth. If a fishing boat was not too far from the shore, it would proceed to one of the signalling boats which had been assigned that job and report the sighting.
 - 4. In order to induce the fishermen to agree to these arrangements, the Chinese Communist authorities agreed to allow them to obtain loans from the bank at a reduced rate and to deposit money in the bank at an increased rate of interest. The authorities also agreed to sell the fishermen some piece goods which were in storage. As a further concession, the owners of fishing boats were not to be considered bourgeois but would be accorded all the privileges of the laboring classes.

Comment. The Chinese Communists have frequently attempted to organize fishermen in coastal areas to serve as spotters and to perform other services of a quasi-military nature. While the prospects for even a minor Nationalist raid in the Shek'ou area are of course infinitesimal, it would not be surprising if the Chinese Communists seized the occasion of the Tungshan raid as an appropriate time for a general tightening of South China coastal defense measures.

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